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SUMMARY RECORD OF THE 25th MEETING

Chairman: Mr. KHAN (Pakistan)

later: Mr. RAICHEV (Bulgaria)
(Vice-Chairman)

CONTENTS

AGENDA ITEM 12: REPORT OF THE ECONOMIC AND SOCIAL COUNCIL (continued)

AGENDA ITEM 89: ENVIRONMENT AND SUSTAINABLE DEVELOPMENT (continued)

AGENDA ITEM 88: SUSTAINABLE DEVELOPMENT AND INTERNATIONAL ECONOMIC COOPERATION: (continued)

(a) TRADE AND DEVELOPMENT (continued)

(b) FOOD AND AGRICULTURAL DEVELOPMENT (continued)

(c) COMMODITIES (continued)

(d) CULTURAL DEVELOPMENT (continued)

(e) INTEGRATION OF THE ECONOMIES IN TRANSITION INTO THE WORLD ECONOMY (continued)

(f) INDUSTRIAL DEVELOPMENT COOPERATION (continued)

(g) UNITED NATIONS CONFERENCE ON HUMAN SETTLEMENTS (HABITAT II) (continued)

(h) INTERNATIONAL COOPERATION FOR THE ERADICATION OF POVERTY IN DEVELOPING COUNTRIES (continued)

(i) UNITED NATIONS INITIATIVE ON OPPORTUNITY AND PARTICIPATION (continued)

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The meeting was called to order at 1.15 p.m.

AGENDA ITEM 12: REPORT OF THE ECONOMIC AND SOCIAL COUNCIL (continued)
(A/C.2/49/L.16)

Draft resolution A/C.2/49/L.16

1. Mr. AHMIA (Algeria), speaking on behalf of the Group of 77 and China, introducing draft resolution A/C.2/49/L.16, entitled "Report of the Committee for Development Planning: general review of the list of the least developed countries", said that the draft was based on decision 1994/225 of the Economic and Social Council which, in turn, was based on a recommendation by the Committee for Development Planning to amend the list of the least developed countries. He hoped that the draft resolution would be adopted by consensus.

AGENDA ITEM 89: ENVIRONMENT AND SUSTAINABLE DEVELOPMENT (continued)
(A/C.2/49/L.17, L.18, L.19 and L.20)

Draft resolutions A/C.2/49/L.17, L.18 and L.19

2. Mr. AHMIA (Algeria), speaking on behalf of the Group of 77 and China, introduced draft resolution A/C.2/49/L.17, entitled "Dissemination of the principles of the Rio Declaration on Environment and Development", draft resolution A/C.2/49/L.18, entitled "International Day for the Preservation of the Ozone Layer", and draft resolution A/C.2/49/L.19, entitled "Observance of World Day to Combat Desertification and Drought". The three draft resolutions, which had no programme budget implications and on which no report had been requested from the Secretary-General, were based on the recommendations made at the United Nations Conference on Environment and Development. He hoped that they would receive consensus approval in the informal consultations.

Draft resolution A/C.2/49/L.20

3. Ms. WILLIAMS-MANIGAULT (United States of America), introducing draft resolution A/C.2/49/L.20, entitled "Unauthorized fishing in zones of national jurisdiction and its impact on the living marine resources of the world's oceans and seas", said that in the second line of the fifth preambular paragraph the words "largest share" should be replaced by "overwhelming proportion". The most important issue in recent international debates had been unauthorized fishing in zones under national jurisdiction, and she was confident that the programmes of assistance and the reporting mechanism would reduce the problem. She announced that Cape Verde and Morocco had joined the sponsors of the draft resolution.

AGENDA ITEM 88: SUSTAINABLE DEVELOPMENT AND INTERNATIONAL ECONOMIC COOPERATION (continued) (A/49/204-E/1994/90, A/49/205-E/1994/91, A/49/229, A/49/256, A/49/307, A/49/378, A/49/381, A/49/395, A/49/412-S/1994/1078, A/49/422-S/1994/1086, A/49/424 and Add.1, A/49/479, A/49/493-S/1994/1142, A/49/506, A/49/541, A/49/542)

(a) TRADE AND DEVELOPMENT (continued) (A/49/15 (vols. I and II), A/49/227 and Add.1 and Add.2, A/49/228-S/1994/827, A/49/277, A/49/363)

(b) FOOD AND AGRICULTURAL DEVELOPMENT (continued) (A/49/438, A/49/507)

(c) COMMODITIES (continued) (A/49/226, A/49/228-S/1994/827, A/49/287-S/1994/894 and Corr.1)

(d) CULTURAL DEVELOPMENT (continued) (A/49/159-E/1994/62 and Add.1 and Add.2)

(e) INTEGRATION OF THE ECONOMIES IN TRANSITION INTO THE WORLD ECONOMY (continued) (A/49/330)

(f) INDUSTRIAL DEVELOPMENT COOPERATION (continued) (A/49/347, A/49/372)

(g) UNITED NATIONS CONFERENCE ON HUMAN SETTLEMENTS (HABITAT II) (continued) (A/49/37, A/49/272, A/49/640)

(h) INTERNATIONAL COOPERATION FOR THE ERADICATION OF POVERTY IN DEVELOPING COUNTRIES (continued) (A/49/572)

(i) UNITED NATIONS INITIATIVE ON OPPORTUNITY AND PARTICIPATION (continued) (A/49/287-S/1994/894 and Corr.1, A/49/541)

4. Ms. WILLIAMS-MANIGAULT (United States of America) said that her delegation was pleased with the results of the United Nations International Symposium on Trade Efficiency held in October 1994 in Columbus, Ohio, under the auspices of the United Nations Conference on Trade and Development (UNCTAD). The symposium had demonstrated the willingness of the United Nations to move beyond dry discussions of economic policy to practical, real-world solutions.

5. There was a direct link between the development and application of technology, particularly telecommunications technology, and economic development. Because economic development was a function of free-market forces and trade liberalization, her delegation supported the free flow of goods and services in telecommunications and information technology for trade, and joined in the call for an end to barriers in those fields.

6. Participants in the Symposium had addressed the relationship of trade efficiency to development and had considered market-oriented solutions for increased involvement in international trade, access to technologies which created trade opportunities and the role of Governments in enhancing trade efficiency and competitiveness. Mr. Albert Gore, Vice-President of the United States, had encouraged Governments to promote private investment, competition,

flexible regulatory frameworks, access to information networks and universal network service.

7. Her delegation shared the view that the partnership to promote development among all countries, developed and developing, relied on technical and technological assistance, with private-sector participation. Trade, not financial aid, was the way to future growth for developing countries. Promotion of electronic commerce worldwide should be based on the principle of equality of access to systems compatible with international standards. Immediate action to enhance participation in world trade was possible in the areas of customs, transport, banking and insurance, information, business practices, and telecommunications.

8. The following precepts for United Nations approaches to economic development had emerged from the Symposium: that economic development was driven by trade, not by external assistance; that domestic and international trade flourished best in an environment that encouraged private enterprise, supported a market economy and the removal of tariff and non-tariff barriers, and provided the legal and regulatory framework necessary to sustain commercial activity; that it was the sovereign responsibility of each country to develop the measures best suited to the growth of trade in that country in the light of national circumstances; and that the largest and most enduring financial flows from external sources were those that resulted from foreign direct investment in the most promising trading sectors of a country's economy.

9. The success of the Symposium had demonstrated that UNCTAD could play a useful role in promoting the expansion of economic opportunities. The Member States of the United Nations should continue taking concrete measures to redefine their mission, reform their institutions and modernize their terms of debate in order to ensure a partnership for development through trade based on mutual benefits and respect.

10. Significant reductions in poverty could be achieved through the creation of wealth, rather than its redistribution, which only led to an unsustainable situation of economic stagnation. Accordingly, she stressed the need for an environment conducive to the creation of wealth and the empowerment of all sectors of society. Sound and rational economic policies, political stability, open trade, transparent investment and regulatory codes, and technology exchange were far more important to the reduction of poverty than international programmes for the transfer of resources.

11. Her Government attached the greatest importance to the second United Nations Conference on Human Settlements (Habitat II), especially to issues of urbanization, and had been actively engaged in the preparatory process. Through the Agency for International Development, the United States would assist countries with their preparations for Habitat II, particularly with the drafting of national reports based on shelter and urban sector policy indicators. Her Government was making resources available to the Conference secretariat, and would contribute $700,000 for the various preparatory activities, in addition to its regular contribution to the United Nations Centre for Human Settlements.

12. The transition of centrally planned economies to market economies was of great importance to the United States. The success of that transition depended upon the adoption of policies which encouraged individual initiative and created a favourable environment for entrepreneurs. The United States remained committed to the expansion and strengthening of the world's market-based economies. In that regard, she emphasized the importance of the positive contributions made by the International Monetary Fund (IMF), the World Bank, and the Economic Commission for Europe (ECE). Her Government continued to work closely with those organizations and with other Governments, looked forward to further progress on the transition process, and called upon the United Nations system and Member States to support that process.

13. Mr. ABELIAN (Armenia), referring to the Secretary-General's report on the integration of the economies in transition into the world economy (A/49/330), said his delegation wished to highlight a significant point: that the transition process would take longer and be more complicated than had been expected. The studies of the economies of socialist countries carried out by a small group of economists in the West had centred on how centrally planned economies functioned and had compared them to market economies, but had not examined the process of transition from one system to the other. The transformation process entailed reform of institutional policy, emphasizing efficiency in the economy, trade liberalization, fiscal and financial market reform, abolition of exchange and price controls, privatization, and liberalization of conditions for domestic and foreign investors.

14. As with all former Soviet republics, Armenia's economy had been strained by the changes following the disintegration of the former Union of Soviet Socialist Republics. It was also suffering from the blockade of transportation routes by Azerbaijan, an embargo by Turkey and the effects of the devastating earthquake of 1988. Despite those difficulties, Armenia had begun introducing significant reforms to create a market economy. Land reform was already complete, and the transfer of small and medium-sized industrial and commercial companies was currently under way. The process would continue until all government-operated firms which were capable of being privatized had been transferred. Banking reforms had been introduced, with a two-tier system comprising a central bank and a group of commercial banks. Armenia was now capable of cooperating with other countries in the field of development and growth, which would in turn encourage peace and stability in the region.

15. The presence of the United Nations specialized agencies and the various mechanisms being developed favoured the transition process. General Assembly resolutions 47/199, of 22 December 1992, and 48/209, of 21 December 1993, should be seen as important instruments in the planning and implementation of United Nations activities. However, the integrated United Nations approach still needed to be strengthened through the country strategy notes and Resident Coordinator system. Each country should take into account its own needs, traditions, values and ethics. The role of the United Nations in a changing world did not invalidate indigenous capabilities, nor did the Organization seek to replace them with imported models that would be difficult to integrate.

16. His delegation welcomed the measures undertaken by the Secretary-General to strengthen the capacity of the United Nations system. Virtually all United Nations agencies, and the international community in general, had become involved in providing assistance to the transition economies. It was important to improve coordination on both levels, and to increase the flow of information between the country and regional programmes. His delegation welcomed the initiative taken by the Secretary-General requesting the Administrator of the United Nations Development Programme to assist in ensuring greater policy coherence and coordination.

17. The international community had channelled its support mostly through the Bretton Woods institutions. At the current stage, balance-of-payments assistance from those institutions would be particularly useful, since countries could then import what they needed in order to keep production going and establish modest social safety nets for people affected by the dislocations resulting from the transition and the long-term structural transformation.

18. The developing countries would benefit from the reforms in the centrally planned economies for, once the reforms were completed and economic growth had resumed, they would be able to export their goods to the former socialist republics and obtain capital and technology from them.

19. He was confident that the Committee would reinforce the positive groundwork begun with General Assembly resolutions 47/187, of 22 December 1992, and 48/181, of 21 December 1993.

20. Mr. LUEDIG (Estonia), speaking also on behalf of Latvia and Lithuania with reference to the integration of the economies in transition into the world economy, said that since the collapse of the former Soviet Union, each national economy in transition had been transformed in a unique manner and that there were now more differences than similarities among them. National transformation, a prerequisite for integration into the world economy, had involved difficult budgeting decisions and often unpopular policy choices. The future benefits of market economies should be balanced against the immediate social needs of the most vulnerable population groups. Fortunately, there were examples among the economies in transition that illustrated how conversion to free markets had increased national wealth and the ability to provide for those who genuinely needed assistance.

21. In some countries, privatization had led to dislocation of the labour market and high unemployment. Fortunately, the rapidity and success with which privatization had taken place in the Baltic States had laid a sound foundation for further market restructuring and a long-term solution to current labour concerns.

22. The economies in transition needed guidance on how to further integrate themselves into the world economy, since they still had to carry out a great number of institutional changes. As Member States of the United Nations, they deserved support from the Organization in terms of coordinated analytical activities, policy advice and technical assistance. If proper measures were taken during the transition period to assist institutional development and

coordination, the direction in which national and international trade developed in those countries would not have to be corrected later.

23. The work done by the regional commissions to harmonize regional norms and regulations had set standards for changes and improvements in the market practices used by the countries with economies in transition. That had in turn contributed to the creation of a business climate of credibility, productivity and transparency which had encouraged direct foreign investment in those countries.

24. In order to successfully integrate themselves into the world economy, the countries with economies in transition needed access to markets, trade with developed and developing countries and technical assistance with respect to capacity-building.

25. The delegations of Estonia, Latvia and Lithuania looked forward to consideration of the report of the Secretary-General on An Agenda for Development and the latter's potentially positive impact on the integration of the economies in transition into the world economy. They viewed the work of the World Trade Organization (WTO) as an important means of establishing a fair and transparent framework for trade among all countries.

26. Miss ULLOA (Ecuador) said that the United Nations Conference on Human Settlements (Habitat II) was extremely important, since it had a bearing on such problems as poverty, environmental degradation, unemployment, lack of education and the massive exodus from rural to urban areas, which affected both developed and developing countries.

27. The Preparatory Committee for the Conference would be holding a second session in Nairobi in April 1995 to undertake such important tasks as revising the plan of action on the basis of the national reports and plans of action submitted by Member States.

28. It was therefore essential that States prepare their reports by setting up national committees representing a broad cross section of society, so as to come up with practical ideas and solutions for human settlements problems. National reports should reflect socio-economic conditions accurately and objectively, on the basis of the relevant indicators. Her delegation supported the convening of a short third session of the Preparatory Committee in New York.

29. In order for the Conference to attain its objectives, international cooperation should be strengthened through the provision of adequate financial and technological resources to enable the developing countries in particular to carry out activities related to the Conference. Her delegation was concerned that while a budget of $1.7 million had been allocated to Habitat I 20 years previously, only $1.2 million had been assigned to Habitat II. The Conference secretariat should be allocated immediately, from the United Nations regular budget sufficient resources to step up its activities. The United Nations group of experts that had assisted with preparations for Habitat I should also be reconstituted to assist the current Conference. Her delegation endorsed the statements made by the Group of 77 and the Rio Group on that issue.

30. Mr. SUCHARIPA (Austria) said that the eradication of poverty was indispensable for sustainable development and that the importance attached to it by the international community had been demonstrated by General Assembly resolution 47/92 on the convening of a World Summit for Social Development, which had identified the alleviation and reduction of poverty as one of the core issues to be addressed by the Summit.

31. Austria concentrated its cooperation activities in that area on the human being, with particular emphasis on the least developed countries, while giving priority to bilateral and multilateral cooperation aimed at achieving collective participation in production and the socially equitable distribution of its benefits.

32. Poverty was a relative concept which manifested itself differently in varying social and cultural contexts. It would therefore be useful to have a common international understanding as to what was meant by "extreme poverty" or "overall or widespread poverty". Such a definition could be developed on the basis of gender-disaggregated indicators such as nutritional situation of the population, availability of safe drinking water and sanitation, general health, infant mortality, maternal mortality and morbidity, life expectancy and literacy. Such a universally agreed concept would have a strong operational dimension.

33. The results of the Uruguay Round of Multilateral Trade Negotiations would improve trade opportunities, stimulate growth and increase employment. They would also create a more stable framework for the conduct of international trade providing, in many areas, for more favourable treatment for developing and least developed countries.

34. Environmental problems had an impact on trade and underlined the necessity for an international dialogue on trade and environment. Substantive measures should be adopted to address the needs of all countries and enhance the positive interaction between trade and environmental measures in order to promote sustainable development. Austria fully endorsed the balanced work programme for the Committee on Trade and Environment of the future World Trade Organization. It also looked forward to the work of UNCTAD on trade, environment and development, which was scheduled to begin on 28 November 1994.

35. Austria wished to refer particularly to the need for harmonization of international trade law, a task currently being performed in a most satisfactory manner by the United Nations Commission on International Trade Law (UNCITRAL). That process was of particular importance for States in transition to a market-based economy, for the complexities of modern legal regulations in that area required training and technical assistance. His delegation appreciated the programme of regional and national seminars organized by the Secretariat.

36. Austria took note of the report of the Director-General of the United Nations Industrial Development Organization (UNIDO) (A/49/347) and observed that UNIDO had undertaken substantial reforms and courageous measures. Austria believed that UNIDO would need a strong and committed team to support the

Director-General, and it appealed to the member States of UNIDO to pay their pledged contributions in full and in good time.

37. His Government was strongly committed to the preparatory process for the United Nations Conference on Human Settlements (Habitat II) and was in the process of establishing a national preparatory committee for Habitat II, one of whose principal tasks would be to prepare a national report for the Conference.

38. Mr. CHANTHAVILAY (Lao People's Democratic Republic) said that his country fully supported the statement made by Algeria on 8 November 1994 on behalf of the Group of 77 and China.

39. Constructive dialogue between the countries of North and South would help to strengthen international cooperation for development. An important theme to be examined in that dialogue was the promotion of international trade in the interest of all countries, irrespective of their level of development.

40. While his delegation hoped that the new World Trade Organization (WTO) would be more transparent, non-discriminatory, equitable and more secure, it was concerned that the least developed countries would be negatively affected in the short term by the provisions of the Agreement establishing WTO. It called upon the international community to provide the necessary cooperation to ensure that those countries would benefit from the implementation of the Agreement.

41. Another source of concern was the limited progress achieved in the implementation of the Programme of Action for the Least Developed Countries for the 1990s. The high-level intergovernmental meeting to conduct a mid-term global review of the implementation of that Programme, to be held in 1995, would provide an important opportunity for the world community to take new measures with a view to reactivating and accelerating the growth and development of the least developed countries.

42. His country had welcomed the adoption of General Assembly resolution 47/196 proclaiming 17 October as the International Day for the Eradication of Poverty. It also attached paramount importance to the World Summit for Social Development, to be held in 1995. The Summit would provide a great opportunity for the international community to reaffirm its political commitment to the eradication of poverty in developing countries, particularly the least developed countries.

43. Despite the achievements made as a result of the substantive reforms initiated in 1986, his country still confronted problems such as poverty, illiteracy and an inadequate socio-economic infrastructure. The Government hoped that it would receive continued assistance from the international community in its efforts to achieve the goals of its socio-economic development strategy to the year 2000.

44. Mr. CENCEN (Slovenia) said that regional integration was positive if conceived as a stage prior to the establishment of a multilateral trading system, for it brought an expansion of trade provided that protectionism and closed trading blocs were avoided.

45. The conclusion of the Uruguay Round was of exceptional importance to global trade, and Slovenia welcomed the agreements reached at Marrakesh. The liberalization of access to international markets was a prerequisite for the successful implementation of the market economy system. As a WTO member, Slovenia would strive to find and implement new mechanisms for the liberalization of global trade, since the free movement of goods would benefit all countries.

46. After Slovenia had achieved macroeconomic stability, the Government had begun to consider various strategies for further structural transformation of the country's economy, integration of Slovenia into regional structures and the establishment of long-term development priorities.

47. The term "countries in transition" was not always used aptly. It sometimes gave the impression that it applied to a homogeneous group of countries which were in fact very different. Some countries with centrally planned economies had introduced market economy systems relatively quickly and successfully and had achieved macroeconomic stability, proving that the transition process could be relatively short and did not necessarily require a large infusion of external resources. When speaking of "countries in transition" or "economies in transition", one must keep in mind the individual identity of each of those countries and economies, otherwise the term might become a stereotype and be used for political rather than economic purposes.

48. The World Summit for Social Development, to be held in 1995, would provide an opportunity to reflect on all social aspects of development. All international actors, including the Bretton Woods institutions, should take an active part in the preparations for the Summit and in the Summit itself. The criteria for assessing actual progress and development must be better suited to actual needs and should express the interrelationship between economic and social development. They should be transparent, interdisciplinary and free of political, ethnic, racial and other prejudices.

49. Mr. TASEER (Pakistan) said that the unfortunate shift by industrialized countries towards defensive trade policies over the past decade had been to the detriment of the developing countries. While many developing countries had liberalized their trade regimes, sometimes at great social, political and economic cost, the champions of free trade had raised their tariff and non-tariff barriers. The World Bank had estimated that trade barriers cost the developing countries a very high price in forgone annual income, equivalent to twice the annual assistance received from the Organisation for Economic Cooperation and Development (OECD) and twice the total annual interest paid by the developing countries on their public external debt.

50. It had been hoped that with the conclusion of the Uruguay Round, protectionism in all its manifestations would diminish. Discussions in WTO, however, appeared to signal a new brand of protectionism under the garb of protection of the environment or promotion of the rights of workers in developing countries.

51. Although the results of the Uruguay Round had been partial and unsatisfactory for developing countries, Pakistan welcomed the conclusion of the Uruguay Round negotiations. The provisions of the agreements reached should enable the smaller countries to resist unilateral and discriminatory trade measures.

52. Over the past few years, there had been an increasing tendency towards regionalization. No regional agreement, however, could yield its full benefits without a strengthened multilateral trading system that eliminated unilateral and discriminatory restrictions on trade, especially against developing countries.

53. Pakistan's commitment to the objectives of a universally beneficial global economy was incorporated in its national trade policy, the hallmark of which was the liberalization of trade and investment. Pakistan stood at the crossroads of South Asia, Central Asia, China and the Gulf and wished to provide a link between the security and cooperation structures in those adjacent regions of Asia.

54. Mr. REPISHTI (Albania) said that the transition of a centralized economy into a market economy was Albania's absolute priority. Albania's economic programme was based on price liberalization, the full opening of its economy to the whole world, macroeconomic stabilization, institutional and legislative reform, privatization of enterprises and their integration into the market, and the social protection of the most affected groups of the population.

55. Privatization had led to an 11-per-cent increase in Albania's gross domestic product (GDP). In 1994, Albania's GDP was expected to increase by 5 to 8 per cent. The liberalization of trade, prices and services had transformed the market and promoted production and investment.

56. An important aspect of Albania's integration into the world economy was the implementation of different programmes of the European Union with non-member countries, especially with former socialist countries.

57. The Department for Development Support and Management Services and the Department for Economic and Social Information and Policy Analysis, which were participating in the activities referred to in General Assembly resolution 48/181 of 21 December 1993, must better orient their activities as executive agencies to support the development efforts of countries with economies in transition. The objective of Albania's cooperation with the Department for Development Support and Management Services was to speed up the establishment of institutions and develop human resources through cooperation in the fields of development planning, infrastructure, social and economic development and public and financial administration.

58. Mr. NKAMBULE (Swaziland) said that his country attached great importance to industrial development because the manufacturing sector was the most important sector in terms of its contribution to the country's GDP. With the co-financing of UNIDO and the participation of the private sector, Swaziland was finalizing

its first industrial policy and strategy, which was an integral part of its National Development Strategy, a national exercise financed by UNDP.

59. Swaziland had completed drafting its first investment code. The code and the industrial policy and strategy would promote industrial development and allay fears of prospective foreign investors, facilitating foreign direct investment.

60. The Government was implementing projects to rehabilitate and upgrade the infrastructure of its industrial parks and develop new ones with a view to promoting the growth of small and medium-sized enterprises and implementing its national programme for the Second Industrial Development Decade for Africa.

61. Mr. NGO QUANG XUAN (Viet Nam) said that, with its adoption of its resolutions S-18/3 of 1 May 1990 and 45/199 of 21 December 1990, the General Assembly had reaffirmed its commitment to development and international cooperation. His delegation shared the view of the international community that a global approach was required to achieve sustained world economic growth and the revitalization of development. The Earth Summit and the adoption of Agenda 21 in 1992 had furthered the priority aspects of the strategy.

62. The Uruguay Round had ended and it was very important that the final agreement should be ratified and implemented in ways that would promote sustainable development in the developing countries. The World Summit for Social Development, which would be held in 1995, should formulate a plan of action with clear objectives and genuine commitments from the international community, especially the highly industrialized countries, to assist developing countries in implementing the follow-up activities and increase international cooperation in advancing social and economic development on the basis of equality and mutual benefit.

63. In its transition to a market economy and its efforts to integrate itself in the international community, Viet Nam had achieved positive results and would cooperate with other countries and international institutions with a view to mobilizing external resources for the cause of sustainable development.

64. By the year 2000, Viet Nam planned to attain an average GDP growth rate of 9 to 10 per cent; improve the financial system and budget structure to secure domestic revenue sufficient to cover recurrent expenditures and increase the savings rate to 10 per cent of GDP; increase export value at an average rate of 25 per cent; increase investment to develop industry, agriculture, tourism and services through the implementation of policies to attract foreign direct investment; establish joint ventures with foreign partners; make effective use of official development assistance (ODA); and increase investment in environmental protection to ensure sustainable development.

65. Mr. JABBARY (Islamic Republic of Iran) said that, in spite of some promising signs, such as efforts to achieve global and regional integration, the gap between developed and developing countries continued to widen. His delegation had hoped that the conclusion of the Uruguay Round would increase third world access to world markets; however, the introduction of new forms of

protectionism deprived developing countries of their comparative advantages in some areas of trade.

66. The developed countries had not faced such obstacles at the beginning of their path to industrialization. The establishment of appropriate mechanisms to monitor the implementation of the Uruguay Round agreements in order to ensure that the World Trade Organization (WTO) would contribute to a rule-based, predictable and non-discriminatory global trade system was imperative. Such measures would help build a favourable international economic environment and encourage the developing countries to participate actively in such forums.

67. The Uruguay Round agreements would have major implications for international cooperation. The effective implementation of the provisions of the agreements, particularly special and preferential treatment for the developing countries, would enable them to benefit from the liberalization of the market for goods and services. If not, the already bad situation with regard to the insufficient food production and the weak trend of technological advancement would worsen.

68. His delegation shared the conclusions of the report of the Trade and Development Board (A/49/15, vol. I) regarding the important role of UNCTAD in the international trading system, inter alia, through technical cooperation that took into account the special interests of developing countries. Expanded technical assistance was needed to enable the developing countries to derive real benefits from the Uruguay Round agreements.

69. With regard to the sub-item on commodities (A/49/226), his delegation took note of the introduction by UNCTAD of the new concept of linkages in the context of development and diversification. As noted in the same document, the general and long-term downward trend in the real prices for commodities, combined with a narrow basis for economic growth, raised concerns about the economic prospects for many developing countries. Diversification of commodities would reduce to some extent the vulnerability of many developing countries to fluctuations in commodity prices in international markets.

70. The eradication of poverty was one of the most important tasks of the current generation. His delegation had pointed out on various occasions that only the creation of practical mechanisms to implement the huge number of resolutions and plans of action could solve that distressing world situation.

71. Mr. MOJOUKHOV (Belarus) said that his country was particularly interested in fully integrating its economy into the world economic system. Document A/49/330 was the first detailed analysis of the conditions needed for such integration and a significant attempt to analyse the information available to the United Nations system on the actual status of the process in Central and Eastern Europe. The next report of the Secretary-General might contain another chapter giving the replies of the Governments of the countries with transition economies regarding their efforts towards integration into the world economy. That would permit a more in-depth study of the special needs of each such country, which was at a different stage in the transition period.

72. Other speakers had brought out the fact that the process of disintegration in the countries with transition economies was giving way to a trend towards subregional integration and intraregional cooperation, based on the principles of market competition and more liberal and democratic trade, financial, technical and scientific relations, and that the industrialized countries' support for their gradual integration into a multilateral system had not yet produced the desired results. Of particular significance was the assurance given by the German delegation on behalf of the European Union that it would continue supporting the process of reform in Central and Eastern Europe and in the newly independent States by providing technical and financial assistance under the United Nations system and also by opening up its markets.

73. Many economies in transition would be dependent for a long time on support from the international community for their reform programmes. The discussions within the United Nations could be directed towards developing, broadening and strengthening mutually advantageous cooperation among the developing countries and the countries with transition economies with the support of the developed countries.

74. The relationship between the less developed and the developed countries was not restricted to recipient-donor link. International assistance must be interpreted more broadly to allow the transition economies to become integrated into an open multilateral trade system. Belarus, together with the countries of Central and Eastern Europe and the members of the Commonwealth of Independent States (CIS), urged the General Assembly to adopt a universally applicable resolution on international trade. In addition, Belarus favoured a more balanced resolution on sustainable development and the environment.

75. Solutions must be found to the problems attendant upon the trade, economic and financial relations of the transition economies with their traditional trading partners, especially the low trading value in the European market of the few goods those countries were currently able to export, the need to increase their currency reserves and the reduction of their external debt. The transition economies therefore hoped that the UNCTAD Ad Hoc Working Group on Trading Opportunities in the New International Trading Context would speedily fulfil its mandate.

76. The consensus decision adopted the previous year on the integration of the economies in transition into the world economy reflected a new approach to the question. Hence the appeal made by the delegation of Indonesia to reopen dialogue on cooperation for development so that the interests of the various nations could complement each other in a mutually advantageous way. His delegation had been involved in the Second Committee negotiations on the possible incorporation of that concept in draft resolutions, to help the transition economies themselves play a greater part in solving their own problems without prejudicing the interests of other developing countries.

development of the transition economies [illegible]

Russian Federation's initiative of holding an international conference on [illegible] further international economic cooperation

78. Mr. AYEWAH (Nigeria) said that his country endorsed the statement made on 8 November 1994 by Algeria on behalf of the Group of 77 and China.

79. While it believed that every nation had a responsibility to solve its own human settlements problem, Nigeria appealed for international assistance in improving the deteriorating living and housing conditions that were particularly prevalent in the developing countries. Such support was crucial if the objectives of Habitat II were to be achieved.

80. In order to meet the goal of environmentally sustainable and equitable industrial development set by UNIDO, investments must be promoted, technology transferred, human resources developed and a favourable environment created, both nationally and internationally. Conditions in Africa had not made those goals feasible. However, in accordance with the Yaoundé Declaration, UNIDO hoped to accord high priority to the industrialization of Africa and the realization of the objectives of the Second Industrial Development Decade for Africa. It was urgent to take steps to transform that hope into a reality. One such step was the important collaboration of UNIDO with financial institutions within and outside of Africa and with United Nations agencies, especially UNDP, which had thus far proved to be an effective agency for development.

81. Mr. Raichev (Bulgaria) took the Chair.

82. Mr. TOURE (Mali) said that his delegation endorsed the statement by Algeria expressing the concerns of the Group of 77 and China.

83. Mali welcomed the praiseworthy efforts the third-world countries as a group had made to increase their agricultural production by 17 per cent in 1993, although in Africa the rate of agricultural growth was barely 2 per cent.

84. The reduction of official development assistance to agriculture jeopardized the implementation of agricultural reform programmes in the African countries, which depended heavily on food imports.

85. The international community must help the African countries to enhance the value of their commodities, their prime source of export income, by providing investment, technology and technical and commercial know-how. The discussion begun at the previous session on the establishment of a diversification fund for Africa's commodities ought to be successfully concluded at the current session. The adoption of the Final Act of the Uruguay Round and the establishment of the World Trade Organization made it imperative to diversify African commodities.

86. Although those developments were favourable to the liberalization of international trade, they also were a source of legitimate concern to the developing countries in general and African countries in particular, the Marrakesh agreement being especially detrimental to the latter. For the African countries to overcome their disadvantages in the new international trading

87. The High-level Intergovernmental Meeting on the Global Mid-term Review of the Implementation of the Programme of Action for the Least Developed Countries for the 1990s merited the international community's special attention. It was essential to mobilize adequate funds both under the regular budget of the United Nations and from extrabudgetary sources, in order to facilitate national and regional preparations for the Meeting and the participation of the least developed countries.

88. Mali looked forward to the convening of the World Summit for Social Development and welcomed the arrangements made for the observance of the International Day for the Eradication of Poverty and the International Year for the Eradication of Poverty.

The meeting rose at 6 p.m.